

MINUTE ITEM

17. ACCEPTANCE OF BID AND AWARD OF OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 4120 (PARCEL 6), P.R.C. 2879.1.

After consideration of Calendar Item 13 attached, and upon motion duly made and unanimously carried, the following rescission was adopted:

IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, THE COMMISSION ACCEPTS THE HIGHEST QUALIFIED BID, MADE BY UNION OIL COMPANY OF CALIFORNIA, ON MARCH 27, 1962, AND AUTHORIZES THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE SAID BIDDER, FOR THE 5,653.1-ACRE PARCEL OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 4120 (PARCEL 6) IN SANTA BARBARA COUNTY, AS DETAILED IN THE PUBLISHED NOTICE OF INTENTION UNDER W.O. 4120 (PARCEL 6) PUBLISHED MARCH 5 AND MARCH 12, 1962. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$3,047,740.00, AS OFFERED IN THE BID.

Attachment

Calendar Item 13 (2 pages)

CALENDAR ITEM

13.

ACCEPTANCE OF BID AND AWARD OF OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 4120 (PARCEL 6).

On March 27, 1962, four bids were received in response to a published Notice of Intention of the State Lands Commission to enter into a lease for the extraction of oil and gas from 5,653.1 acres of tide and submerged lands designated as W.O. 4120 (Parcel 6), Santa Barbara County. This offer was authorized by the Commission on November 22, 1961 (Minute Item 17, page 7502).

All bids submitted were reviewed by the staff as to technical sufficiency. The Office of the Attorney General reviewed the highest bid, submitted by Union Oil Company of California, and determined:

- A. That the Commission has complied with the procedural requirements of law; and
- B. That the bid submitted conforms with.
  - 1. The bid requirements specified in the proposal of the Commission;
  - 2. The applicable provisions of law; and
  - 3. The rules and regulations of the Commission.

A summary tabulation of the bonus-payment offers received pursuant to the lease proposal is attached.

IT IS RECOMMENDED THAT, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, THE COMMISSION ACCEPT THE HIGHEST QUALIFIED BID, MADE BY UNION OIL COMPANY OF CALIFORNIA, ON MARCH 27, 1962, AND AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE SAID BIDDER, FOR THE 5,653.1-ACRE PARCEL OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 4120 (PARCEL 6) IN SANTA BARBARA COUNTY, AS DETAILED IN THE PUBLISHED NOTICE OF INTENTION UNDER W.O. 4120 (PARCEL 6) PUBLISHED MARCH 5 AND MARCH 12, 1962. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$3,047,740.00, AS OFFERED IN THE BID.

Attachment  
Exhibit "A"

W.O. 4120  
(PARCEL 6)

EXHIBIT "A"

SUMMARY

W.O. 4120 (PARCEL 6)

BIDDER

Union Oil Company of California .....	\$ 3,047,740.00
Shell Oil Company .....	513,000.00
Richfield Oil Corporation and Tidewater Oil Company (joint bid) .....	250,334.00
Standard Oil Company of California, Western Operations, Inc. ....	170,327.60